

Exhibit 300: Capital Asset Summary

Part I: Summary Information And Justification (All Capital Assets)

Section A: Overview & Summary Information

Date Investment First Submitted: 1950-01-01
Date of Last Change to Activities: 2012-03-19
Investment Auto Submission Date: 2012-02-27
Date of Last Investment Detail Update: 2011-09-16
Date of Last Exhibit 300A Update: 2012-02-27
Date of Last Revision: 2012-06-21

Agency: 029 - Department of Veterans Affairs **Bureau:** 00 - Agency-Wide Activity

Investment Part Code: 01

Investment Category: 00 - Agency Investments

1. Name of this Investment: Corporate 21st Century SAM

2. Unique Investment Identifier (UII): 029-77777029

Section B: Investment Detail

- 1. Provide a brief summary of the investment, including a brief description of the related benefit to the mission delivery and management support areas, and the primary beneficiary(ies) of the investment. Include an explanation of any dependencies between this investment and other investments.**

The Strategic Asset Management (SAM) Project was designed as a component of the Financial Logistics Integrated Technology Enterprise (FLITE) Program. In July 2010, the FLITE program was re-scoped, which canceled two of FLITE's components, leaving the SAM Project as the only active component of FLITE. As a result, all historic FLITE costs are now considered as sunk costs for the SAM Project. The SAM project is a multi-year effort to replace VA's existing facilities asset management systems with a single, web-based, integrated, enterprise-level system. The SAM project is designed to introduce a Commercial Off-the-Shelf (COTS) enterprise asset management software solution to address VA's critical need for a modernized and integrated facilities management capability. VA's capital assets are currently not well aligned to support VA's business goals as a result of the insufficient investments made to maintain the aging facilities, and an archaic internal business process for evaluating, managing, and upgrading facilities at an enterprise level. This software will effectively create, maintain and integrate a department-wide management capability to make data-driven decisions, allocate resources, and manage results. The SAM project will strategically integrate the chosen COTS software solution, Maximo, using an incremental, site specific rollout plan. Each increment will conform with a six-month, Agile methodology based schedule. The beneficiaries of SAM as a facility management solution can be segmented in three categories: Immediate Site Level, Region Level, and Long Term Enterprise. At the site

level, beneficiaries include Facility Management teams, with positive impacts ranging from Facilities Engineers and Work Planners to Facility Managers and VAFM Facility Executives. Regional users will benefit by enabling visibility into an entire region of FM operations, regional Facilities Managers can foster best practices of root cause failure analysis, condition based maintenance, standardized reporting and facility data requirements. Finally, long term beneficiaries include enterprise stakeholders who will benefit from the ability to view and report on facilities metrics like condition or maintenance costs across VA, enabling the prioritization of funding allocation, the justification of budget requests, and targeted investment based on VA's mission. At this point, SAM has no dependencies with other VA investments.

2. How does this investment close in part or in whole any identified performance gap in support of the mission delivery and management support areas? Include an assessment of the program impact if this investment isn't fully funded.

VA operates one of the largest networks of medical and support facilities in the world, with an estimated 5,500 buildings under management ranging from Medical Centers to Community Based Outpatient Clinics and National Cemeteries. VA's capital assets are recognized as strategically important to current and future service delivery; however chronic under investment is straining the aging capital portfolio as facilities are being pushed beyond their intended functional life. The majority of VA's facilities are of World War II and Korean War vintage, and on average are over 60 years old. Many of the facilities are reaching the end, or have already surpassed their functional life. As a result, VA facilities are becoming more costly to sustain, and without needed repairs, are losing their ability to serve the needs of a modernizing healthcare industry. It is estimated that VA facilities have a \$10 billion backlog of repairs, further exacerbating the increase in operating costs while degrading mission support capability. If the SAM Project is not funded, VA facilities will continue to degrade, increasing agency costs and potentially disrupting VA services, since VA will lack a system to develop an agency wide vision to prioritize and initiate necessary facilities management upgrades.

3. Provide a list of this investment's accomplishments in the prior year (PY), including projects or useful components/project segments completed, new functionality added, or operational efficiency achieved.

During FY 2011, the SAM Project continued a Pilot at the VA Medical Center (VAMC) in Milwaukee, Wisconsin. As a result of SAM receiving a third PMAS strike, the project was placed on a five month strategic evaluation period, which consisted of an assessment period and a way forward planning phase. As a result of the strategic evaluation period, the SAM project is now focusing its efforts to implement enterprise wide facilities management capabilities, with a new business sponsor (within the VAFM Initiative) as well as a new software implementation methodology (Agile), both of which will mitigate many of the lessons learned from the original SAM Pilot. Also during FY 2011, the SAM Project began a limited-scope SAM Prototype at the Capital Region Readiness Center (CRRC) facility in Martinsburg, West Virginia. CRRC was chosen as the SAM Prototype because it is a new facility which provides co-located mission critical OIT infrastructure and VA Continuity of Operations (COOP) functions.

4. Provide a list of planned accomplishments for current year (CY) and budget year (BY).

Using FY 2012 funding, SAM project will complete a limited-scope SAM Prototype at the Capital Region Readiness Center (CRRC) facility in Martinsburg, West Virginia. Essentially, the SAM Prototype serves the dual purpose of providing facilities management Maximo capabilities to the CRRC while at the same time serving as a forum for the SAM Project Team to develop and implement the lessons learned in advance of proceeding with an enterprise SAM deployment scenario. This Prototype will develop a baseline definition of enterprise processes and data standards. Once the Prototype is complete, the SAM Project will then deploy to one Veterans Health Administration (VHA) location, one Veterans Benefit Administration (VBA) location, and one National Cemetery Administration (NCA) location. These deployments will implement four crucial facilities management capabilities (asset management, work management, maintenance, repair, overhaul (MRO) parts inventory management, and reporting), while conforming to a six-month, Agile methodology based schedule. Once these three deployments are complete, the SAM Project will then incorporate lessons learned to optimize the development of an enterprise deployment strategy. During FY 2013, the SAM Project will begin an enterprise deployment of the facilities management solution, which will be implement an deployment strategy that was refined by the FY 2011/2012 CRRC Prototype and FY 2012 releases to VHA, VBA, and NCA.

5. **Provide the date of the Charter establishing the required Integrated Program Team (IPT) for this investment. An IPT must always include, but is not limited to: a qualified fully-dedicated IT program manager, a contract specialist, an information technology specialist, a security specialist and a business process owner before OMB will approve this program investment budget. IT Program Manager, Business Process Owner and Contract Specialist must be Government Employees.**

2009-06-10

Section C: Summary of Funding (Budget Authority for Capital Assets)

1.

Table I.C.1 Summary of Funding

	PY-1 & Prior	PY 2011	CY 2012	BY 2013
Planning Costs:	\$12.9	\$8.2	\$0.0	\$0.0
DME (Excluding Planning) Costs:	\$4.1	\$13.1	\$0.0	\$0.0
DME (Including Planning) Govt. FTEs:	\$2.4	\$1.2	\$1.0	\$0.0
Sub-Total DME (Including Govt. FTE):	\$19.4	\$22.5	\$1.0	0
O & M Costs:	\$0.0	\$0.6	\$0.9	\$1.6
O & M Govt. FTEs:		\$0.0	\$0.0	\$1.1
Sub-Total O & M Costs (Including Govt. FTE):	0	\$0.6	\$0.9	\$2.7
Total Cost (Including Govt. FTE):	\$19.4	\$23.1	\$1.9	\$2.7
Total Govt. FTE costs:	\$2.4	\$1.2	\$1.0	\$1.1
# of FTE rep by costs:	19	9	9	9
Total change from prior year final President's Budget (\$)		\$-11.8	\$-7.4	
Total change from prior year final President's Budget (%)		-33.74%	-79.26%	

2. If the funding levels have changed from the FY 2012 President's Budget request for PY or CY, briefly explain those changes:

The new FY 2012 funding levels (CY) reflects the results of a revised cost estimate based on the results of the SAM Project's five month evaluation period. The revised FY 2012 funding request reflects the project's focus to implement enterprise wide facilities management capabilities, with a new business sponsor (within the VAFM Initiative) as well as a new software implementation methodology (Agile), both of which will mitigate many of the lessons learned from the original SAM Pilot.

Section D: Acquisition/Contract Strategy (All Capital Assets)

Table I.D.1 Contracts and Acquisition Strategy

Contract Type	EVM Required	Contracting Agency ID	Procurement Instrument Identifier (PIID)	Indefinite Delivery Vehicle (IDV) Reference ID	IDV Agency ID	Solicitation ID	Ultimate Contract Value (\$M)	Type	PBSA ?	Effective Date	Actual or Expected End Date
Awarded	3600	VA798A0002	263010074	7529							
Awarded	3600	VA798A0001	GS23F9755H	4730							
Awarded	3600	VA798A11F0852	GS06F0529Z	4730							
Awarded	3600	VA798A100793	NNG07DA12B	8000							
Awarded	3600	VA798A10F0004	GS25F0051S	4730							
Awarded	3600	V0010A1018V2118	NNG07DA63B	8000							
Awarded	3600	V0010A1018V2119	NNG07DA18B	8000							
Awarded	3600	VA798A11F0916	NNG07DA12B	8000							

2. If earned value is not required or will not be a contract requirement for any of the contracts or task orders above, explain why:

VA policy states that EVM compliance is not required on contracts with a value of less than \$20M that are not high risk and whose benefits do not exceed the cost to VA. For those contracts greater than \$20M, the contractor will support the VA's EVMS that is compliant with ANSI 748 by providing the necessary schedule and cost performance information. Additionally, SAM is managed according to the VA PMAS program, which requires the delivery of customer functionality every six months, and evaluates projects on their ability to do so.

Exhibit 300B: Performance Measurement Report

Section A: General Information

Date of Last Change to Activities: 2012-03-19

Section B: Project Execution Data

Table II.B.1 Projects

Project ID	Project Name	Project Description	Project Start Date	Project Completion Date	Project Lifecycle Cost (\$M)
1109131061	Strategic Asset Management (SAM) Replanned Effort	NOTE: The project was canceled per VA CIO on October 27, 2011. The Strategic Asset Management (SAM) project is a multi-year effort to replace Veteran Affairs (VAs) existing asset management systems with a single, web-based, integrated, COTS enterprise-level system to address VAs critical need for a modernized and integrated facilities management capability. The initial functional community will be Facilities Management (FM).			

Activity Summary

Roll-up of Information Provided in Lowest Level Child Activities

Project ID	Name	Total Cost of Project Activities (\$M)	End Point Schedule Variance (in days)	End Point Schedule Variance (%)	Cost Variance (\$M)	Cost Variance (%)	Total Planned Cost (\$M)	Count of Activities
1109131061	Strategic Asset Management (SAM) Replanned Effort							

Key Deliverables

Project Name	Activity Name	Description	Planned Completion Date	Projected Completion Date	Actual Completion Date	Duration (in days)	Schedule Variance (in days)	Schedule Variance (%)
1109131061	Planning State Completed	Complete required PMAS artifacts needed to move from planning state to active state	2011-10-27	2011-10-27	2011-10-27	26	0	0.00%

Section C: Operational Data

Table II.C.1 Performance Metrics

Metric Description	Unit of Measure	FEA Performance Measurement Category Mapping	Measurement Condition	Baseline	Target for PY	Actual for PY	Target for CY	Reporting Frequency
Total costs as a percent of total planned costs	Percent	Process and Activities - Financial	Under target	0.900000	0.900000	0.900000	0.950000	Monthly
Total increment costs as a percent of total planned increment costs (for current increment)	Percent	Process and Activities - Financial	Under target	0.900000	0.900000	0.900000	0.950000	Monthly
Actual increment schedule as a percentage of planned schedule (for current increment)	Percent	Process and Activities - Cycle Time and Timeliness	Under target	0.000000	0.000000	0.000000	0.900000	Semi-Annual
Percentage of facility assets accounted for within SAM	Percent	Mission and Business Results - Support Delivery of Services	Over target	0.000000	0.000000	0.000000	1.000000	Monthly
Percentage of active facility asset and location records adhering to enterprise defined standards	Percent	Customer Results - Service Accessibility	Over target	0.000000	0.000000	0.000000	1.000000	Monthly